

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN**

Therisa D. Escue, Billy R. Escue, Jr.,
Kim Schelbe, and Brian P. Weatherill,
on behalf of themselves and all others
similarly situated,

Plaintiffs,

v.

United Wholesale Mortgage, LLC,
UWM Holdings Corporation, SFS
Holding Corp., and Mathew Randall
Ishbia,

Defendants.

Case No. 2:24-cv-10853-BRM-DRG

Hon. Brandy R. McMillion,
United States District Judge

Hon. David R. Grand,
United States Magistrate Judge

NOTICE OF POTENTIAL RELATED CASE

Pursuant to the requirements of Local Rule 83.11(b)(7), Defendants file this Notice to alert the Court of a potential related case: *United Wholesale Mortg., LLC v. America's Moneyline, Inc.*, No. 22-10228 (E.D. Mich. Feb. 3, 2022) (Michelson, J.). Rule 83.11(b)(7) provides that counsel “must” “bring to” “the court’s attention” potential related cases “in which it appears that”: “(i) substantially similar evidence will be offered at trial,” or “(ii) the same or related parties are present and the cases arise out of the same transaction or occurrence[.]” L.R. 83.11(b)(7)(A)(i), (ii); L.R. 83.11(b)(7)(D) (explaining reassignment options if cases are deemed related). Consistent with its obligations imposed by the rule, counsel is flagging this case as potentially related for the Court’s own internal review.

In Case No. 22-10228, United Wholesale Mortgage, LLC (UWM) sued a mortgage broker, alleging that the broker breached the 2021 Broker Amendment to UWM’s Wholesale Broker Agreement. The broker countersued, alleging that the 2021 Broker Amendment is invalid and pleading counterclaims sounding in fraud and unfair trade practices. Judge Michelson dismissed the counterclaims in two reported decisions. *See United Wholesale Mortg.*, 647 F. Supp. 3d 587 (E.D. Mich. 2022); *id.*, 2024 WL 1349301 (E.D. Mich. Mar. 29, 2024). In one, Judge Michelson ruled that the 2021 Broker Amendment barred the broker’s “general fraud” claims. *Id.*, 647 F. Supp. 3d at 599. In the other, Judge Michelson ruled that the 2021 Broker Amendment did not “cut off consumer or broker access to the wholesale mortgage market” as applied to the broker’s antitrust claims. *Id.*, 2024 WL 1349301, at *3.

In this case, the same 2021 Broker Amendment plays a central role in Plaintiffs’ claims against UWM. *See, e.g.*, Compl. (Apr. 2, 2024), ECF No. 1, ¶¶ 43, 50–58, 63–78, 123, 127, 149, 154, 175, 179, 190–91, 197, 210–16, 271. The Complaint also refers to evidence from Case No. 22-10228. *See id.* ¶¶ 54 & n.48, 65 & n.56. And Plaintiffs’ claims involving the 2021 Broker Amendment raise overlapping allegations. *See, e.g., id.* ¶¶ 52–58 (allegations regarding 2021 Broker Amendment); *id.* ¶ 291 (allegations regarding UWM’s “dominant market share”).

Given the central role of the 2021 Broker Amendment in both cases, it appears that “substantially similar evidence” regarding the Amendment’s interpretation,

purpose, and effect, among other things, will be at issue. L.R. 83.11(b)(7)(A)(i). The 2021 Broker Amendment also appears to be the same basic underlying “transaction or occurrence” from which both cases arise. L.R. 83.11(b)(7)(A)(ii). Of course, Defendants defer to the Court’s discretion regarding whether reassignment would be appropriate under these circumstances and Defendants take no position regarding reassignment, but the Defendants are filing this Notice in accordance with the applicable rules. *See* L.R. 83.11(b)(7)(D).

Dated: May 2, 2024

Respectfully submitted,

/s/ Jeffrey J. Jones

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CERTIFICATE OF SERVICE

I certify that on May 2, 2024, I caused the above Notice of Related Case to be electronically filed with the Clerk of the Court through the CM/ECF system, which will effectuate service upon all counsel of record.

/s/ Jeffrey J. Jones
Jeffrey J. Jones
Counsel for Defendants